

LEGISLATIVE UPDATE

108th Legislature, 2nd Session



January 12, 2024

NEW BILL INTRODUCTIONS – RULES DEBATE COMMENCES

As of Thursday, Jan. 11, the seventh day of the 2024 legislative session, a total of 349 bills and three proposed constitutional amendments have been introduced. Floor debate on bills “carried over” from last session is expected to begin on Jan. 22 and will continue during morning sessions of floor debate by the Legislature, with Committee hearings to be held in the afternoons.

Floor debate on amendments to rules governing the legislative process began on Thursday morning. The Rules Committee, chaired by Senator Steve Erdman (Bayard) conducted a public hearing on Monday, Jan. 8, on 34 proposed rules amendments. The Rules Committee has advanced 17 rules amendments for consideration by the full legislature. Speaker John Arch (Papillion) has indicated that the debate on rules amendments will go no longer than Friday, Jan. 19.

While a number of the proposed rules changes are technical in nature, extended floor debate is likely to result on more controversial measures to a) end the practice of “secret ballots” when voting for leadership of committees, speaker and executive board; b) create a sliding scale for the number of senators required to invoke cloture thereby ceasing debate and allowing for a vote on the pending measure (Currently, a motion to invoke cloture requires 33 votes.); and c) closing executive sessions to reporters unless a committee chair allows them to participate.

In a departure from prior years, 17 individual senators and one committee have already designated priority bills. In addition, the Speaker has identified three of his 25 legislative priorities. While it’s customary for senators and committees, as well as the Speaker, to wait until closer to the deadline for designating priority bills (Feb. 15), individual senators and committee chairs appear to be designating their priorities early in light of the uncertainty for how the session will evolve, considering last year’s frequent filibustering of issues.

Governor Pillen is scheduled to present the annual “State of the State” address on Jan. 18 outlining his priorities for the session.

NBA AFFIRMATIVE LEGISLATION

The following bills have been introduced on behalf of the NBA:

LB 872 - CENTRAL-BANK DIGITAL CURRENCY: Introduced by Senator Rob Clements (Elmwood), LB 872 would prohibit political subdivisions or state agencies from accepting a central-bank digital currency as a method of cash payment of any tax, levy, excise, duty, custom, toll, interest, penalty, fine, license, fee, or assessment of whatever kind or nature.

LB 1122 - MISLEADING ADVERTISEMENTS/SOLICITATIONS: Senator Beau Ballard (Lincoln) is the sponsor of LB 1122, which would increase the maximum fine that the Department of Banking can impose for violations involving misleading advertisements or solicitation of bank customers from \$1,000 to \$5,000. Current law places restrictions on the ability of any person to include the name, trade name, logo or symbol of a financial institution in a written solicitation for financial products or services directed to a consumer who has obtained a loan from the financial institution without the consent of the financial institution, unless the solicitation clearly and conspicuously states that the person is not sponsored or affiliated with a financial institution and that the solicitation is not authorized by the financial institution.

LB 1176 - PUBLIC ENTITIES POOLED INVESTMENT ACT: Senator George Dungan (Lincoln) has introduced LB 1176, which would establish investment priorities, customer disclosures and restrictions on investments for political subdivision investment pools. The bill would specifically limit investments by a political subdivision investment pool in commercial paper to commercial paper a) issued by a United States corporation; b) with a stated maturity of 270 days or fewer from its date of issuance; and c) which is rated in the highest quality category by at least two nationally recognized rating agencies. In addition, the bill would limit investments in commercial paper by a political subdivision investment pool to no more than 40% of the total funds eligible for investment and to no more than 5% of the total funds available for investment in commercial paper of a single issuer.

GENERAL BANKING

LB 1074 - OMNIBUS DEPARTMENT OF BANKING BILL: Senator Julie Slama (Dunbar), Chair of the Banking, Commerce and Insurance Committee, has introduced LB 1074 which would renew the annual bank and savings and loan “wild-card” provisions.

LB 925 - FIREARM INDUSTRY NONDISCRIMINATION ACT: Senator Ray Aguilar (Grand Island) is the sponsor of this legislation which would prohibit governmental entities from entering into a contract with any company engaged in discriminating against firearm entities for contracts worth at least \$100,000 that are to be paid, in whole or in part, by a governmental entity.

LB 954 - BIOMETRIC AUTONOMY LIBERTY LAW: Senator Kathleen Kauth (Omaha) has introduced LB 954 which would provide for regulation of the collection, use, safeguarding, handling, storage, retention and destruction of biometric data.

LB 961 - NONCOMPETE AGREEMENTS: LB 961, introduced by Senator Dungan, would prohibit an employer with one or more employees (other than government employers) from entering into a noncompete agreement with a lower-wage employee (employee who earns no more than \$100,000 per year).

WORKFORCE HOUSING

LB 888 - MIDDLE INCOME WORKFORCE HOUSING INVESTMENT ACT: Introduced by Senator Tony Vargas (Omaha), LB 888 would appropriate \$25 million from the General Fund for fiscal year 2024-25 to the Department of Economic Development for the Middle-Income Workforce Housing Investment Act.

LB 889 - RURAL WORKFORCE HOUSING INVESTMENT ACT: LB 889, also introduced by Senator Vargas, would appropriate \$25 million from the General Fund for fiscal year 2024-25 to the Department of Economic Development for the Rural Workforce Housing Investment Act.

LB 897 - RURAL WORKFORCE HOUSING INVESTMENT ACT: Introduced by Senator Loren Lippincott (Central City), LB 897 would appropriate \$20 million from the General Fund for fiscal year 2024-25 to the Department of Economic Development for the purposes of the Rural Workforce Housing Investment Act.

LB 1039 - MIDDLE-INCOME WORKFORCE HOUSING INVESTMENT ACT AND RURAL WORKFORCE HOUSING INVESTMENT ACT: Senator Vargas introduced LB 1039 which would appropriate \$25 million from the General Fund for fiscal year 2024 and 2025 to the Department of Economic Development for the Middle-Income Workforce Housing Investment Act and \$25 million for the Rural Workforce Housing Investment Act.

GENERAL BUSINESS

LB 873 - REAL ESTATE CLOSING/GOOD FUNDS: LB 873, also introduced by Senator Ballard, would authorize use of real-time or instant payments through the FedNow service of the United States Federal Reserve system, or through the RTP network of the Clearinghouse Payments Company LLC for purposes of the good funds requirement associated with real estate closings and would increase from \$500 to \$5,000 of the amount of funds that need not be available for disbursement from good funds.

LB 991 - BLOCKCHAIN BASICS ACT: Senator Eliot Bostar (Lincoln) has introduced LB 991, which would prohibit a political subdivision from discriminating against digital asset mining businesses with respect to sound pollution and other types of regulations.

LB 1067 - INHERITANCE TAX: Introduced by Senator Rob Clements (Elmwood), LB 1067 would phase out the inheritance tax by Jan. 1, 2028.

LB 1135 - RIGHT-TO-LIST HOME SALE AGREEMENTS: Introduced by Senator Robert Dover (Norfolk), LB 1135 would make void and unenforceable any right-to-list home sale agreement (an agreement by the owner of residential real estate providing another person with the exclusive right to list real estate for sale at a future date in exchange for monetary consideration which purports to be a lien, encumbrance or other real property security interest) or lien or encumbrance resulting from such an agreement which is presented for recording, or recorded in the office of the register of deeds or county clerk.

ECONOMIC DEVELOPMENT

LB 851 - ECONOMIC DEVELOPMENT/INTERNSHIP GRANTS: Senator Mike Jacobson (North Platte) introduced LB 851 which would allow businesses with less than 150 full-time-equivalent employees (was 50) to obtain grants for internships to reimburse the cost of wages paid.

LB 993 - ECONOMIC DEVELOPMENT/APPRENTICESHIP GRANT ACT: LB 993, introduced by Senator Teresa Ibach (Sumner), would provide underemployed and unemployed individuals with job training and classroom instruction opportunities in order to earn a livable wage and reduce their reliance on economic assistance programs and increase the number of Nebraska businesses willing to offer apprenticeships to Nebraska workers.

LB 1077 - WORKFORCE DEVELOPMENT AND CAREER READINESS PROGRAMS: Introduced by Senator Mike McDonnell (Omaha), LB 1077 would appropriate \$2 million from the General Fund for fiscal year 2024-25 to the Department of Labor to provide grants for workforce development and career readiness, to be used for facility expansion. The bill would also require a one-to-one match of private funding for the facility expansion with grant funds to be evenly distributed between the Nebraska congressional districts.

LB 1114 - ENDOW NEBRASKA ACT: LB 1114, also introduced by Senator Bostar, would allow a taxpayer who provides an endowment gift to an endow Nebraska qualified community foundation or a community affiliate for a permanent endowment fund to be eligible for a tax credit. The tax credit would be equal to 15% of a taxpayer's gift to a permanent endowment and is nonrefundable and non-transferable but may be carried forward. The maximum annual tax credits would be set at \$5 million in the aggregate and \$50,000 per taxpayer.

2024 STATE GOVERNMENT RELATIONS FORUM

You are encouraged to sign up for the annual NBA State Government Relations Forum which will be held on Jan. 25 at the Cornhusker Marriott Hotel in Lincoln. Headlining the program will be presentations by Governor Pillen, a panel of state senators, and NBA General Counsel Bob Hallstrom and Ryan McIntosh. Nebraska Department of Banking Director Kelly Lammers will discuss Department initiatives.

The State Government Relations Forum presents an opportunity to meet personally with your state senator during lunch to discuss issues of importance to the banking industry, your institution and your community. We look forward to seeing you on Jan. 25!

[Register Here](#)